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*Official Committee of Unsecured Creditors
of Residential Capital, LLC, et al.*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

RESIDENTIAL CAPITAL, LLC, et al.,

Debtors.

Case No. 12-12020 (MG)

Chapter 11

Jointly Administered

**FOURTH AND FINAL FEE APPLICATION OF
PACHULSKI STANG ZIEHL & JONES LLP FOR COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES AS CO-COUNSEL FOR THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE (I) FOURTH
INTERIM COMPENSATION PERIOD OF SEPTEMBER 1, 2013 THROUGH
DECEMBER 17, 2013 AND (II) FINAL COMPENSATION PERIOD FROM
SEPTEMBER 19, 2012 THROUGH DECEMBER 17, 2013**

**SUMMARY SHEET PURSUANT TO UNITED STATES TRUSTEE
GUIDELINES FOR REVIEWING APPLICATIONS FOR COMPENSATION
AND REIMBURSEMENT OF EXPENSES FILED UNDER 11 U.S.C. § 330**

Name of Applicant:	<u>Pachulski Stang Ziehl & Jones LLP</u>
Role in Case:	<u>Co-Counsel to Official Committee of Unsecured Creditors</u>
Petition Date:	<u>May 14, 2012</u>
Retention Date:	<u>September 19, 2012</u>
Fourth Interim Period:	<u>September 1, 2013 to December 17, 2013</u>
Fourth Interim Fees Requested:	\$1,865,431.00
Fourth Interim Expenses Requested:	\$50,444.07 ¹
Total Amount Requested for the Fourth Interim:	\$1,915,875.07
Final Period:	<u>September 19, 2012 to December 17, 2013</u>
Final Fees Requested:	\$4,844,469.07
Final Expenses Requested:	\$94,832.44
Total Amount Requested for the Final Period:	\$4,939,301.51
Aggregate Amounts Paid to Date for All Compensation Periods:	<u>\$4,303,300.69</u>
Prior Applications:	<u>First – Third Interim Applications</u>

This is a Final Application.

¹ This amount reflects a voluntary write-off for additional expenses in the amount of \$1,689.50 taken by PSZJ pursuant to this application. These expenses are for disbursements marked “RE2 SCAN/COPY” in the November Monthly Fee Statement. Such summary entry has been marked on Exhibit E.

Total Compensation and Expenses Previously Requested and Awarded						
Date Filed	Docket No.	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
03/13/13	3162	09/19/12 – 12/31/12	\$341,678.75	\$4,267.85	\$332,996.75	\$4,055.05
08/07/13	4534	01/01/13 – 04/30/13	\$349,099.50	\$13,706.60	\$347,570.50	\$13,234.90
11/18/13	5814	05/01/13 – 08/31/13	\$2,322,386.50	\$28,182.74	\$2,298,470.82	\$27,098.42
TOTAL:		09/19/12 – 08/31/13	\$3,013,164.75	\$46,157.19	\$2,979,038.07	\$44,388.37
Summary of Compensation Requested and Paid During the Fourth Interim Period						
Date Served	Compensation Period	Requested Fees	Requested Expenses	Fees Paid	Expenses Paid	20% Fee Holdback
10/23/13	09/01/13 – 09/30/13	\$865,434.50	\$18,541.46	\$692,347.60	\$18,541.46	\$173,086.90
12/03/13	10/01/13 – 10/31/13	\$769,985.00	\$27,347.26	\$615,988.00	\$27,347.26	\$153,997.00
01/08/14	11/01/13 – 11/30/13	\$198,057.00	\$5,859.56	\$158,445.60	\$5,859.56	\$39,611.40
01/22/14	12/01/13 – 12/17/13	\$31,954.50	\$385.29	\$25,563.60	\$385.29	\$6,390.90
TOTAL:	09/01/13 – 12/17/13	\$1,865,431.00	\$52,133.57	\$1,492,344.80	\$52,133.57	\$373,086.20

**SUMMARY OF TIME CHARGES AND HOURLY RATES BY PROFESSIONAL
FOR THE PERIOD FROM SEPTEMBER 19, 2012 THROUGH DECEMBER 17, 2013**

Name of Professional & Title	Year Admitted to Practice	Billing Rate	Total Hours Billed	Fee Totals
Partners				
Dean A. Ziehl	1978	\$ 975.00	81.90	\$ 79,852.50
Dean A. Ziehl	1978	\$ 955.00	32.90	\$ 31,419.50
Dean A. Ziehl	1978	\$ 487.50	7.00	\$ 3,412.50
Robert J. Feinstein	1982	\$ 975.00	579.10	\$ 564,622.50
Robert J. Feinstein	1982	\$ 955.00	68.10	\$ 65,035.50
Robert B. Orgel	1981	\$ 915.00	69.10	\$ 63,226.50
Robert B. Orgel	1981	\$ 875.00	19.20	\$ 16,800.00
Jeremy V. Richards	1982	\$ 875.00	1.20	\$ 1,050.00
Alan J. Kornfeld	1987	\$ 860.00	5.70	\$ 4,902.00
Henry C. Kevane	1986	\$ 850.00	600.40	\$ 510,340.00
Henry C. Kevane	1986	\$ 815.00	85.20	\$ 69,438.00
Henry C. Kevane	1986	\$ 407.50	11.50	\$ 4,686.25
John A. Morris	1991	\$ 835.00	1217.10	\$ 1,016,278.50
John A. Morris	1991	\$ 815.00	89.90	\$ 73,268.50
Linda F. Cantor	1991	\$ 835.00	93.40	\$ 77,989.00
David J. Barton	1981	\$ 795.00	3.00	\$ 2,385.00
Iain A. W. Nasatir	1983	\$ 795.00	78.50	\$ 62,407.50
Stanley E. Goldich	1980	\$ 795.00	5.30	\$ 4,213.50
Ellen M. Bender	1984	\$ 775.00	173.90	\$ 134,772.50
Bruce Grohsgal	1990	\$ 750.00	51.50	\$ 38,625.00
Maxim B. Litvak	1997	\$ 750.00	21.00	\$ 15,750.00
James E. O'Neill	1985	\$ 695.00	47.00	\$ 32,665.00
Harry D. Hochman	1987	\$ 695.00	27.00	\$ 18,765.00
Nina L. Hong	1996	\$ 625.00	230.10	\$ 143,812.50
Ilan D. Scharf	2001	\$ 595.00	11.70	\$ 6,961.50
Ilan D. Scharf	2001	\$ 575.00	70.90	\$ 40,767.50
Partners Total:			3681.60	\$ 3,083,446.25
Of Counsel				
Daryl G. Parker	1970	\$ 775.00	49.10	\$ 38,052.50
James K. T Hunter	1976	\$ 775.00	75.70	\$ 58,667.50
Steven J. Kahn	1977	\$ 745.00	0.10	\$ 74.50
Victoria A. Newmark	1996	\$ 695.00	136.80	\$ 95,076.00
Maria A. Bove	2001	\$ 675.00	191.80	\$ 129,465.00

Name of Professional & Title	Year Admitted to Practice	Billing Rate	Total Hours Billed	Fee Totals
Maria A Bove	2001	\$ 645.00	4.70	\$ 3,031.50
Jonathan J. Kim	1996	\$ 645.00	154.60	\$ 99,717.00
Gina F. Brandt	1976	\$ 645.00	74.70	\$ 48,181.50
Gina F. Brandt	1976	\$ 615.00	11.30	\$ 6,949.50
Robert M. Saunders	1984	\$ 625.00	177.60	\$ 111,000.00
Gail S. Greenwood	1994	\$ 625.00	189.30	\$ 118,312.50
Erin E. Gray	1992	\$ 625.00	66.70	\$ 41,687.50
Jeffrey P. Nolan	1992	\$ 625.00	62.80	\$ 39,250.00
Gabrielle A. Rohwer	1997	\$ 625.00	9.20	\$ 5,750.00
Gabrielle A. Rohwer	1997	\$ 595.00	12.50	\$ 7,437.50
Jeffrey Kandel	1984	\$ 615.00	8.30	\$ 5,104.50
Scotta E. McFarland	1993	\$ 615.00	2.30	\$ 1,414.50
William L. Ramseyer	1980	\$ 595.00	110.90	\$ 65,985.50
Cia H. Mackle	2006	\$ 475.00	374.50	\$ 177,887.50
Cia H. Mackle	2006	\$ 450.00	2.10	\$ 945.00
Of Counsel Total:			1715.00	\$ 1,053,989.50
Associates				
Teddy M. Kapur	2004	\$ 525.00	122.90	\$ 64,522.50
Jason H. Rosell	2010	\$ 450.00	1326.10	\$ 596,745.00
Jason H. Rosell	2010	\$ 425.00	3.20	\$ 1,360.00
Associates Total:			1452.20	\$ 662,627.50
Paralegals				
Leslie A. Forrester	N/A	\$ 295.00	6.30	\$ 1,858.50
Patricia J. Jeffries	N/A	\$ 295.00	5.40	\$ 1,593.00
Denise A. Harris	N/A	\$ 285.00	62.60	\$ 17,841.00
Denise A. Harris	N/A	\$ 265.00	0.50	\$ 132.50
Thomas J. Brown	N/A	\$ 245.00	229.50	\$ 56,227.50
Thomas J. Brown	N/A	\$ 220.00	4.00	\$ 880.00
Paralegal Total:			308.30	\$ 78,532.50
TIME CHARGES TOTAL:			7,157.10	\$ 4,878,595.75
Blended Hourly Rate (Attorneys and Paras.)				\$ 681.64
Blended Hourly Rate (Attorneys)				\$ 700.86

**SUMMARY OF TIME CHARGES AND HOURLY RATES BY PROFESSIONAL
FOR PERIOD SEPTEMBER 1, 2013 THROUGH DECEMBER 17, 2013**

Name of Professional & Title	Year Admitted to Practice	Billing Rate	Total Hours Billed	Fee Totals
Partners				
Robert J. Feinstein	1982	\$ 975.00	323.70	\$ 315,607.50
Henry C. Kevane	1986	\$ 850.00	309.20	\$ 262,820.00
John A. Morris	1991	\$ 835.00	584.60	\$ 488,141.00
Linda F. Cantor	1991	\$ 835.00	9.70	\$ 8,099.50
Ellen M. Bender	1984	\$ 775.00	93.50	\$ 72,462.50
Maxim B. Litvak	1997	\$ 750.00	21.00	\$ 15,750.00
Nina L. Hong	1996	\$ 625.00	168.40	\$ 105,250.00
Of Counsel				
Victoria A. Newmark	1996	\$ 695.00	24.60	\$ 17,097.00
Maria A. Bove	2001	\$ 675.00	123.80	\$ 83,565.00
Robert M. Saunders	1984	\$ 625.00	12.10	\$ 7,562.50
Gail S. Greenwood	1994	\$ 625.00	122.00	\$ 76,250.00
Gabrielle A. Rohwer	1997	\$ 625.00	9.20	\$ 5,750.00
Cia H. Mackle	2006	\$ 475.00	109.90	\$ 52,202.50
Associates				
Jason H. Rosell	2010	\$ 450.00	691.30	\$ 311,085.00
Paralegals				
Denise A. Harris	N/A	\$ 285.00	60.20	\$ 17,157.00
Thomas J. Brown	N/A	\$ 245.00	108.70	\$ 26,631.50
TIME CHARGES TOTAL:			2771.90	\$1,865,431.00
Blended Hourly Rate (Attorneys and Paralegals)				\$672.98
Blended Hourly Rate (Attorneys)				\$699.82

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Hearing Date: March 26, 2014 at 10:00 a.m.
Objection Deadline: March 19, 2014 at 4:00 p.m.

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Co-Counsel for the

*Official Committee of Unsecured Creditors
of Residential Capital, LLC, et al.*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

RESIDENTIAL CAPITAL, LLC, et al.,

Debtors.

Case No. 12-12020 (MG)

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**FOURTH AND FINAL FEE APPLICATION OF
PACHULSKI STANG ZIEHL & JONES LLP FOR COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES AS CO-COUNSEL FOR THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE (I) FOURTH
INTERIM COMPENSATION PERIOD OF SEPTEMBER 1, 2013 THROUGH
DECEMBER 17, 2013 AND (II) FINAL COMPENSATION PERIOD FROM
SEPTEMBER 19, 2012 THROUGH DECEMBER 17, 2013**

TO THE HONORABLE MARTIN GLENN,
UNITED STATES BANKRUPTCY JUDGE:

Pachulski Stang Ziehl & Jones LLP (“**PSZJ**”), co-counsel to the Official Committee of Unsecured Creditors (the “**Committee**”) of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”), hereby files its fourth and final fee application (the “**Application**”) pursuant to section 330(a) of Title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 2016-1 of the Local Bankruptcy Rules for the Southern District

of New York (the “**Local Rules**”) for (i) final allowance of compensation for professional services performed by PSZJ and the reimbursement of actual and necessary expenses incurred by PSZJ during the period commencing September 1, 2013 through and including December 17, 2013 (the “**Fourth Interim Period**”); (ii) final approval of professional services rendered by PSZJ and the reimbursement of actual and necessary expenses incurred by PSZJ during the period commencing September 19, 2012 through and including December 17, 2013 (the “**Total Compensation Period**”); and (iii) payment of the unpaid portion of such allowed fees and expenses. In support of its Application, PSZJ respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Application pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are sections 330 and 331 of the Bankruptcy Code, Rule 2016 of the Bankruptcy Rules, and Rule 2016-1 of the Local Rules.

BACKGROUND

3. On May 14, 2012 (the “**Petition Date**”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. On June 18, 2012, the Court directed the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) to appoint an examiner in these chapter 11 cases.

4. On May 16, 2012, the U.S. Trustee appointed the Committee. The U.S. Trustee selected the following nine (9) parties to serve as members of the Committee: (i)

Wilmington Trust, N.A.; (ii) Deutsche Bank Trust Company Americas; (iii) The Bank of New York Mellon Trust Company, N.A.; (iv) MBIA Insurance Corporation; (v) Rowena L. Drennen; (vi) AIG Asset Management (U.S.), LLC; (vii) U.S. Bank National Association; (viii) Allstate Life Insurance Company; and (ix) Financial Guaranty Insurance Corporation.

5. On November 14, 2012, the Committee filed the *Application of Official Committee of Unsecured Creditors for Order Authorizing and Approving the Retention of Pachulski Stang Ziehl & Jones LLP as Co-Counsel to the Official Committee of Unsecured Creditors Nunc Pro Tunc to September 19, 2012* [Docket No. 2178].

6. On December 19, 2012, the Committee filed the *Amended Application of Official Committee of Unsecured Creditors for Order Authorizing and Approving the Retention of Pachulski Stang Ziehl & Jones LLP as Co-Counsel to the Official Committee of Unsecured Creditors Nunc Pro Tunc to September 19, 2012* [Docket No. 2486].

7. On January 9, 2013, the Court entered the *Order Approving Retention of Pachulski Stang Ziehl & Jones LLP as Co-Counsel to the Official Committee of Unsecured Creditors Nunc Pro Tunc to September 19, 2012* [Docket No. 2587] (the “**Retention Order**”).

8. On February 15, 2013, PSZJ filed the *Declaration of Robert J. Feinstein Pursuant to Order Approving Retention of Pachulski Stang Ziehl & Jones LLP as Co-Counsel to the Official Committee of Unsecured Creditors Nunc Pro Tunc to September 19, 2012* [Docket No. 2924], which discloses PSZJ’s rate increases beginning January 1, 2013.

PSZJ’S INTERIM APPLICATIONS

9. On March 13, 2013, PSZJ filed its first interim fee application (the “**First Interim Application**”) for the allowance of compensation for professional services rendered and

for reimbursement of actual and necessary expenses incurred from September 19, 2012 through December 31, 2012. Pursuant to the First Interim Application, PSZJ sought the interim allowance of fees in the aggregate amount of \$341,678.75 and the interim allowance of the reimbursement for actual and necessary expenses in the amount of \$4,267.85. On April 29, 2013, the Court entered an order approving the First Interim Application, subject to certain reductions requested by the U.S. Trustee.

10. On August 7, 2013, PSZJ filed its second interim fee application (the **“Second Interim Application”**) for the allowance of compensation for professional services rendered and for reimbursement of actual and necessary expenses incurred from January 1, 2013 through April 30, 2013. Pursuant to the Second Interim Application, PSZJ sought the interim allowance of fees in the aggregate amount of \$349,099.50 and the interim allowance of the reimbursement for actual and necessary expenses in the amount of \$13,706.60. On September 25, 2013, the Court entered an order approving the Second Interim Application, subject to certain reductions requested by the U.S. Trustee.

11. On November 18, 2013, PSZJ filed its third interim fee application (the **“Third Interim Application”**) for the allowance of compensation for professional services rendered and for reimbursement of actual and necessary expenses incurred from May 1, 2013 through August 31, 2013. Pursuant to the Third Interim Application, PSZJ sought the interim allowance of fees in the aggregate amount of \$2,322,386.50 and the interim allowance of the reimbursement for actual and necessary expenses in the amount of \$28,182.74. On December 26, 2013, the Court entered an order approving the Third Interim Application, subject to certain reductions requested by the U.S. Trustee.

COMPLIANCE WITH THE GUIDELINES

12. This Application was prepared in accordance with (i) the *Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases* (the “**Local Guidelines**”) established and adopted by the Court pursuant to *Administrative Order M-447* and (ii) the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 797] (the “**Interim Compensation Order**” and, together with the Local Guidelines, the “**Guidelines**”).

13. Pursuant to the relevant requirements of the Guidelines, the following exhibits are annexed hereto:

- (a) Exhibit A contains a certification by the undersigned counsel regarding compliance with the Guidelines;
- (b) Exhibit B contains a list of PSZJ’s project categories, in accordance with the activity codes recommended by the Guidelines, and the total time billed to each category;
- (c) Exhibit C contains a billing summary that includes the name of each attorney and paraprofessional for whose work compensation is sought, each attorney’s year of bar admission, the aggregate time expended by each professional and paraprofessional and the corresponding hourly billing rate at PSZJ’s current billing rates, and an indication of the individual amounts requested as part of the Application;
- (d) Exhibit D contains a summary of PSZJ’s total actual and necessary out-of-pocket expenses and disbursements; and
- (e) Exhibit E contains PSZJ’s time records and expenses prepared and submitted in accordance with the Guidelines.

PSZJ MONTHLY FEE STATEMENTS

14. PSZJ maintains computerized records of the time spent by all PSZJ attorneys and paraprofessionals in connection with the representation of the Committee. PSZJ

submitted monthly fee statements (the “**Monthly Fee Statements**”) to the Notice Parties (as defined in the Interim Compensation Order) in the format specified by the Guidelines, allowing each of the Notice Parties an opportunity to review and object to the Monthly Fee Statements. During the Fourth Interim Period, PSZJ provided the Notice Parties with the following Monthly Fee Statements:

Date Served	Compensation Period	Requested Fees	Requested Expenses	Fees Paid	Expenses Paid	20% Fee Holdback
10/23/13	09/01/13 – 09/30/13	\$865,434.50	\$18,541.46	\$692,347.60	\$18,541.46	\$173,086.90
12/03/13	10/01/13 – 10/31/13	\$769,985.00	\$27,347.26	\$615,988.00	\$27,347.26	\$153,997.00
01/08/14	11/01/13 – 11/30/13	\$198,057.00	\$5,859.56	\$158,445.60	\$5,859.56	\$39,611.40
01/22/14	12/01/13 – 12/17/13	\$31,954.50	\$385.29	\$25,563.60	\$385.29	\$6,390.90
TOTAL:	09/01/13 – 12/17/13	\$1,865,431.00	\$52,133.57	\$1,492,344.80	\$52,133.57	\$373,086.20

15. In accordance with the Interim Compensation Order, PSZJ sought payment for 80% of fees and 100% of expenses incurred pursuant to each Monthly Fee Statement. At the time of this Application, PSZJ has received \$1,544,478.37, which amount consists of 80% of fees and 100% of expenses requested pursuant to the Monthly Fee Statements for the Fourth Interim Period. As of the date hereof, PSZJ has not received any objections to its Monthly Fee Statements.

**SUMMARY OF PROFESSIONAL COMPENSATION
AND REIMBURSEMENT OF EXPENSES REQUESTED**

16. Pursuant to this Application, PSZJ seeks final allowance of compensation for professional services performed during the Fourth Interim Period and the Total Compensation Period, in the amounts of \$1,865,431.00 and \$4,844,469.07, respectively. Additionally, PSZJ seeks reimbursement of expenses incurred in connection with such services

in the amounts of \$50,444.07 and \$94,832.44 for the Fourth Interim Period and the Total Compensation Period, respectively. The amounts for the Fourth Interim Period reflect voluntary write-offs of (i) fees in the amount of \$48,497.50 and expenses in the amount of \$23,806.24 taken by PSZJ prior to the submission of its Monthly Fee Statements and (ii) additional expenses in the amount of \$1,689.50 taken by PSZJ pursuant to this Application. Thus, the amounts for the Total Compensation Period reflect voluntary write-offs of (i) fees in the amount of \$107,791.25 and (ii) expenses in the amount of \$40,019.32.

17. During the Fourth Interim Period and Total Compensation Period, PSZJ attorneys and paraprofessionals expended a total of 2,771.90 and 7,157.10 hours, respectively, for which compensation is requested.

SUMMARY OF SERVICES RENDERED

18. Pursuant to the Retention Order, PSZJ was retained: (a) to perform services on bankruptcy-related matters which involve negotiations, contested hearings, adversary proceedings, or other matters in which the Committee prosecuted a position that Kramer Levin Naftalis & Frankel LLP (“**Kramer Levin**”) determined would cause an actual or potential conflict of interest; and (b) to represent the Committee on matters that could be efficiently handled by PSZJ and the transfer of which was in the Committee’s best interests, as determined by Kramer Levin in consultation with the Committee, which consisted of matters that pertain to the following items:

- (a) Such investigation, if any, as the Committee may desire concerning, among other things, the assets, liabilities, financial condition and operating issues concerning the Debtors that may be relevant to these chapter 11 cases;

- (b) The prosecution of any claims brought by the Committee on behalf of the Debtors, including, without limitation, those claims described in the *Order Authorizing the Official Committee of Unsecured Creditors to Prosecute and Settle Certain Claims on Behalf of the Debtors' Estates* [Docket No. 2518];
- (c) Review and analysis of certain aspects of the sale of the Debtors' mortgage origination and servicing platform and portfolio of non-conforming held-for-sale loans and certain other securities/mortgage assets;
- (d) Such communication with the Committee's constituents and others as the Committee may consider desirable in furtherance of its responsibilities;
- (e) The preparation on behalf of the Committee of necessary applications, motions, memoranda, orders, reports, and other legal papers in furtherance of its responsibilities;
- (f) Appearances in Court, participation in litigation as a party in interest, and at statutory meetings of creditors to represent the interests of the Committee in furtherance of its responsibilities; and
- (g) Any other matters assigned to PSZJ by Kramer Levin in consultation with the Committee.

19. The specific services rendered by PSZJ during the Fourth Interim Period are summarized below. The following is not a detailed description of the work performed, as the day-to-day services and the time expended in performing such services are fully set forth in Exhibit E. The summary of legal services rendered by PSZJ during previous interim compensation periods are described in the First Interim Application, Second Interim Application, and Third Interim Application and are incorporated herein by reference.

20. The summary of time entries is divided according to the project billing codes that best reflect the categories of tasks performed as identified by the time entries. However, certain of these categories may overlap with one another.

A. Bankruptcy Litigation

21. Time billed in this category relates to prosecuting the complaint filed on February 28, 2013 by the Committee against UMB Bank and Wells Fargo (the “**JSN Complaint**”), including, but not limited to: (i) engaging in expedited factual and expert discovery, including the review and issue coding of JSN and third party document productions; (ii) preparing for and attending various fact and expert witness depositions; (iii) preparing expert witness statements; (iv) preparing responses to JSN discovery requests; (v) researching and analyzing issues relating to the Committee’s causes of action set forth in the JSN Complaint; (vi) reviewing relevant Phase II pleadings; and (vii) various correspondence, conference calls, and meetings regarding the JSN Complaint with Kramer Levin, AlixPartners, financial advisor to the Committee, and defendants’ counsel.

Fees: \$1,676,843.50 Total hours: 2,502.40

B. Case Administration

22. Time billed in this category relates to the administration of these cases, service and filing of documents, and related matters.

Fees: \$4,091.50 Total hours: 16.70

C. Compensation of Professionals / Others

23. Time billed in this category relates to attending to the Committee’s objection to Citibank’s September fee statement, analyzing the final fee applications of the Chadbourne & Parke LLP and Mesirow Financial, and drafting a limited objection to the final fee application of the Examiner’s professionals.

Fees: \$16,125.50 Total hours: 20.50

D. Hearings

24. Time billed in this category relates to PSZJ attorneys' attendance at various hearings concerning the JSN Complaint and related matters, including the Phase I trial.

Fees: \$114,440.00 Total hours: 159.90

E. Meeting of Creditors

25. Time billed in this category relates to various conference calls with the Committee regarding the status of matters being handled by PSZJ in these cases.

Fees: \$14,292.00 Total hours: 17.20

F. Non-Working Travel

26. Time billed in this category relates to Mr. Kevane's travel between San Francisco and New York to prepare for the Phase I trial. Time billed in this category was billed at half Mr. Kevane's normal hourly rate.

Fees: \$9,010.00 Total hours: 10.60

G. Plan & Disclosure Statements

27. Time billed in this category relates to the Aurelius Capital discovery dispute regarding subpoenas for trading information.

Fees: \$5,347.50 Total hours: 5.70

H. PSZJ Compensation

28. Time billed in this category relates to services in connection with PSZJ's third interim application for compensation and reimbursement of expenses and related matters.

Fees: \$8,368.50 Total hours: 15.00

I. Retention of Professionals

29. Time billed in this category relates to the retention of Mr. Gadsden as an expert, including drafting Mr. Gadsden's expert retention application and related matters.

Fees: \$16,912.50 Total hours: 23.90

30. The foregoing professional services performed by PSZJ were appropriate and necessary to the effective administration of these chapter 11 cases. The services performed were in the best interests of creditors, the Debtors' estates, and other parties in interest. Compensation for the foregoing services as requested is commensurate with the complexity, importance and nature of the problems, issues, or tasks involved. The professional services were performed in an appropriately expeditious and efficient manner.

SUMMARY OF ACTUAL AND NECESSARY DISBURSEMENTS

31. Section 330 of the Bankruptcy Code authorizes "reimbursement for actual, necessary expenses" incurred by professionals employed under section 327 of the Bankruptcy Code. PSZJ seeks reimbursement of expenses in the amount of \$50,444.07 and \$94,832.44 for the Fourth Interim Period and Total Compensation Period, respectively, as detailed in Exhibit D-1 and Exhibit D-2 annexed hereto. These amounts reflect the voluntary write-offs taken pursuant to the Monthly Fee Statements and the additional voluntary write-off in the amount of \$1,689.50 taken pursuant to this Application for charges marked "RE2 SCAN/COPY" in the November Monthly Fee Statement. Such summary entry has been marked accordingly on Exhibit E.

32. In accordance with the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Guidelines, PSZJ maintains the following policies with respect to expenses for which reimbursement is sought herein:

- (a) No amortization of the cost of any investment, equipment, or capital outlay is included in the expenses. In addition, for those items or services that PSZJ purchased or contracted from a third party (such as outside copy services), PSZJ seeks reimbursement only for the exact amount billed to PSZJ by the third party vendor and paid by PSZJ to the third party vendor.
- (b) Photocopies were charged at 10 cents per page. To the extent practicable, PSZJ utilized less expensive outside copying services.
- (c) Telecopying by PSZJ was charged to its clients at the cost of the long distance call required to send the facsimile. PSZJ did not impose any charge to its clients for local facsimiles, interoffice facsimiles or facsimiles costing less than \$1.00. PSZJ did not charge for incoming facsimiles.
- (d) Meals charged to the Debtors for PSZJ personnel do not exceed \$20 per person and are associated with out of town travel, working meetings, or dinner for PSZJ professionals working past 8:00 p.m.

THE REQUESTED COMPENSATION SHOULD BE ALLOWED

33. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 of the Bankruptcy Code to govern the Court's award of such compensation. 11 U.S.C. § 331. Section 330 of the Bankruptcy Code provides that the Court may award a professional person employed under section 327 or 1103 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered . . . and reimbursement of actual, necessary expenses." 11 U.S.C. § 330(a)(1).

34. In determining the amount of reasonable compensation to be awarded, the Court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including:

- (a) the time spent on such services;
- (b) the rates charged for such services;

- (c) whether the services were necessary to the administration of, or beneficial at the time the service was rendered toward the completion of, a case under this title;
- (d) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (e) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (f) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

35. PSZJ respectfully submits that it has satisfied the requirements for the allowance of the compensation and reimbursement of expenses sought herein. The services described above, at the time they were provided, were necessary and beneficial to the Committee, the Debtors and the Debtors' estates. PSZJ's services were consistently performed in a timely manner, commensurate with the complexity of the issues facing the Committee and the nature and importance of the problems, issues, and tasks. Furthermore, the compensation sought by PSZJ is reasonable because it is based on the customary compensation charged by comparably skilled practitioners outside of bankruptcy. Accordingly, approval of the compensation sought herein is warranted.

STATEMENTS OF PSZJ PURSUANT TO BANKRUPTCY RULE 2016(a)

36. PSZJ has received a total of \$4,303,300.69 from the Debtors relating to fees and expenses on account of services provided by PSZJ during the Total Compensation Period.

37. No agreement or understanding exists between PSZJ and any third person for the sharing of compensation, except as allowed by section 504(b) of the Bankruptcy Code and Bankruptcy Rule 2016 with respect to the sharing of compensation between and among partners of PSZJ. All of the services for which compensation is sought in this Application were rendered at the request of, and solely on behalf of, the Committee, and not at the request of, or on behalf of, any other person or entity.

NOTICE

38. Notice of this Application has been given to the Notice Parties (as defined in the Interim Compensation Order). PSZJ respectfully submits that no other or further notice need be provided.

NO PRIOR REQUEST

39. No prior request for the relief sought in this Application has been made to this or any other court.

WHEREFORE, PSZJ respectfully requests that the Court enter an order:

(1) allowing on a final basis (a) fees incurred by PSZJ for the Fourth Interim Period in the amount of \$1,865,431.00 and (b) actual and necessary expenses PSZJ incurred during the Fourth Interim Period in the amount of \$50,444.07; (2) allowing on a final basis (a) fees incurred by PSZJ for the Total Compensation Period in the amount of \$4,844,469.07 and (b) actual and necessary expenses PSZJ incurred during the Total Compensation Period in the amount of \$94,832.44; (3) authorizing and directing the Debtors to pay PSZJ \$636,000.82, representing all unpaid fees and expenses for the Total Compensation Period; and (iv) granting such other relief as is just and proper.

Dated: March 3, 2014

PACHULSKI STANG ZIEHL & JONES LLP

By: /s/ Robert J. Feinstein

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